



MONTHLY UPDATE TO

International Economic Scoreboard

A Monthly Report from The Conference Board

September 1990

DISCOURAGING SIGNALS

Globally, although the world business expansion continues to march steadily forward at a moderate pace, the forward-looking statistics are signaling a near-term end to this pattern. The 11-country composite leading index has in fact been flat for almost a year now.

Nationally, the sluggishness in the leading indexes is universal throughout the industrial world. For ten of the eleven countries (France is the exception) the latest figure reported is below—although in most cases only very slightly below—an earlier peak. The leading index with the most pronounced, prolonged downturn—off 6 percent from its May 1989 peak—is Australia.

Interpretation: The overall picture from the leading indexes is broadly discouraging, pointing to a sluggish economic pattern ahead for most industrial countries and maybe to recession. The data reported here, furthermore, all relate to economic developments that took place prior to the Iraqi invasion of Kuwait, the economic consequences of which spell additional difficulty for the cyclical outlook.

Summary Of Growth Rates, Eleven Industrial Countries

	Ten-year Growth Rate	Indexes of Economic Performance Growth Rates*			Leading Business Cycle Indexes Growth Rates*				Latest Month Covered
	1976-86	6 mos ago	3 mos ago	Latest month	6 mos ago	3 mos ago	Latest month	Current Reading on the Cycle	
		annual rates, percent							
Eleven countries	3	4	5	4	1	0	0	Expansion continuing, leaders weak	June
Ten countries excl. U.S.	3	6	7	6	3	1	1	Expansion continuing, leaders weak	June
North America (2)	3	1	2	2	-1	-1	-1	Expansion continuing, leaders weak	June
Europe (4)	2	6	7	6	0	0	1	Expansion continuing, leaders weak	June
Pacific Region (5)	4	7	8	7	6	3	1	Expansion continuing, leaders weak	June
United States	3	0	1	1	-1	-2	1	Expansion continuing, leaders weak	July
Canada	3	2	2	2	0	-1	-1	Expansion continuing, leaders weak	June
West Germany	2	7	6	7	6	4	2	Expansion continuing	July/June
France	2	8	7	7	-3	0	4	Expansion continuing	June/July
United Kingdom	2	5	5	3	-1	0	-2	Expansion continuing, leaders weak	July
Italy	2	5	6	6	1	-2	0	Expansion resuming, leaders weak	Apr./May
Japan	4	7	8	8	7	3	1	Expansion continuing, leaders weak	June
Australia	3	6	1	-1	-4	-5	-4	Expansion continuing, leaders weak	July
Taiwan, R.O.C.	8	7	-1	-2	7	5	-1	Expansion continuing, leaders weak	July
Korea, R.O.K.	7	10	12	8	2	2	0	Expansion continuing, leaders weak	July
New Zealand	2	1	2	0	3	-1	-2	Upturn stopped, leaders weak	June

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate.

The Conference Board

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INDEXES, WORLDWIDE AND BY REGION, 1989-90

		11 Countries		10 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (5)				11 Countries		10 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (5)			
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.			Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.		
Indexes, 1980 = 100																									
Jan	89	130	138	132	137	127	138	122	124	148	160			6	7	7	8	4	4	6	5	8	13		
Feb	89	130	138	132	138	127	137	122	124	148	162			6	6	7	8	4	2	6	5	7	13		
Mar	89	131	139	134	137	127	139	123	124	151	160			6	6	7	6	4	4	6	5	10	10		
Apr.	89	131	139	133	137	128	139	123	124	150	160			5	5	6	5	4	4	6	4	6	7		
May	89	131	138	134	137	128	139	123	125	150	158			4	3	5	3	3	3	5	4	6	3		
June	89	132	138	135	138	128	138	124	125	152	160			4	3	6	4	2	2	5	3	7	6		
July	89	132	138	135	138	127	138	125	124	152	162			4	3	6	4	2	1	5	2	7	6		
Aug	89	133	140	136	139	128	139	126	124	154	165			5	3	6	5	2	2	6	2	7	9		
Sept.	89	133	140	136	139	128	139	126	125	154	165			4	3	6	4	1	1	6	2	7	8		
Oct.	89	133	140	137	139	128	139	126	124	154	165			4	3	6	3	1	1	6	1	6	7		
Nov	89	134	140	138	140	128	139	127	125	156	166			4	2	6	3	1	1	6	1	7	7		
Dec	89	134	140	139	140	128	138	128	124	157	166			4	1	6	3	1	-1	6	0	7	6		
Jan	90	135	140	140	140	128	138	129	125	158	166			4	1	7	2	0	-1	7	1	7	5		
Feb	90	136	139	141	140	128	136	130	125	159	167			5	0	7	2	1	-3	7	0	7	5		
Mar	90	136	139	141	140	129	138	130	125	160	166			5	0	7	1	2	-1	7	0	8	3		
Apr.	90	136	139	142	139	128	137	131	125	161	165			4	-0	7	1	1	-2	6	1	8	2		
May	90	137	140	142	140	129	139	132	126	161	166			4	1	6	1	1	1	6	1	7	2		
June	90	137	140	143	140	129	138	132	126	162	166			4	0	6	1	2	-1	6	1	7	1		
														Ten Year Annual Growth Rate, Percent											
														3	3	3	3	3	3	3	2	2	4	4	4

INDEXES, ELEVEN COUNTRIES, 1989-90

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		U.S.		Canada		West Germany		France		U.K.		Italy		Japan		Australia		Taiwan, R.O.C.		Korea, R.O.K.		New Zealand		
		Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	Perf	Lead	
		Indexes, 1980 = 100																						
Jan	89	126	140	132	125	118	124	132	130	122	121	112	118	145	160	141	130	187	219	213	218	110	115	
Feb	89	127	139	132	124	118	125	133	130	123	120	113	118	146	162	142	130	186	220	214	214	110	115	
Mar	89	127	140	133	124	118	126	134	130	123	120	112	119	149	160	142	131	188	225	214	218	110	116	
Apr	89	127	141	133	124	119	126	134	130	124	120	112	119	146	159	145	131	187	223	212	218	110	116	
May	89	127	141	133	124	119	127	136	131	124	119	112	120	147	156	145	133	190	224	212	218	110	118	
June	89	127	140	134	125	120	126	136	130	124	119	113	120	149	160	147	132	191	228	214	218	109	117	
July	89	127	140	134	125	120	127	137	129	125	119	114	121	149	162	148	130	191	229	217	218	108	116	
Aug	89	128	140	134	125	120	126	138	129	126	119	115	122	150	165	149	131	191	231	220	224	107	117	
Sept	89	127	140	134	125	120	128	139	130	126	118	116	121	151	165	150	130	190	232	220	224	108	118	
Oct	89	127	141	134	124	121	128	140	129	126	117	116	120	152	166	149	129	192	232	221	220	109	119	
Nov	89	127	140	134	124	122	129	141	129	127	117	117	120	153	167	150	128	194	234	221	222	110	119	
Dec	89	127	140	135	125	123	130	142	127	128	116	118	120	154	167	151	128	193	234	224	221	110	119	
Jan	90	127	139	135	123	124	130	143	127	128	118	118	120	155	167	151	128	197	236	228	222	110	119	
Feb	90	128	138	135	123	125	131	143	127	128	118	119	119	156	168	150	127	193	247	235	231	110	118	
Mar	90	128	139	136	124	126	130	144	127	129	117	119	120	158	166	150	126	194	242	236	227	110	117	
Apr	90	128	138	136	122	125	130	145	129	130	118	120	119	159	166	150	126	191	239	236	225	110	116	
May	90	128	140	136	122	127	130	146	130	130	118	120	159	167	149	126	194	238	231	227	112	118		
June	90	129	139	136	123	126	130	146	130	130	118	120	160	167	150	125	191	234	234	222	109	117		
July	90	128	140			128		131	130	117					149	125	191	235	236	224				
Growth Rates, Percent																								
Jan	89	4	5	4	0	6	7	9	7	6	4	1	1	7	14	12	5	9	10	7	9	-1	3	
Feb	89	4	3	4	-2	6	8	9	5	6	2	1	-1	7	15	13	4	6	8	7	4	-1	4	
Mar	89	4	5	4	0	6	8	9	5	6	2	0	1	10	10	11	5	7	11	7	7	-1	4	
Apr	89	4	5	3	-1	6	8	9	3	6	1	0	1	6	7	13	3	5	8	5	6	-1	5	
May	89	3	4	4	0	4	7	9	4	5	0	0	1	5	3	11	5	7	7	4	5	0	6	
June	89	2	2	2	1	5	6	9	3	5	-1	1	2	7	6	12	4	5	9	4	4	-2	5	
July	89	1	1	3	1	4	5	8	0	5	-1	2	3	6	7	11	0	5	8	6	2	-4	2	
Aug	89	2	2	3	1	5	3	8	0	5	-1	3	4	7	10	11	2	5	9	8	7	-5	3	
Sept	89	1	1	3	1	4	5	8	1	5	-2	5	2	6	9	10	0	4	9	7	6	-3	4	
Oct	89	1	2	2	0	4	5	8	-1	5	-3	5	1	6	8	8	-1	5	7	7	2	-1	5	
Nov	89	1	1	2	-1	4	5	9	-1	5	-4	6	1	7	8	7	-3	6	8	5	3	1	5	
Dec	89	1	-1	2	0	6	6	8	-3	5	-4	7	0	7	7	7	-4	4	7	8	1	1	3	
Jan	90	0	-1	2	-2	7	5	9	-3	5	-1	6	-1	7	6	6	-4	7	7	10	2	2	3	
Feb	90	1	-3	2	-2	8	5	7	-4	5	-1	7	-2	7	5	4	-4	3	15	15	10	1	1	
Mar	90	1	-1	2	-1	8	4	7	-3	4	-1	6	0	8	3	2	-5	2	9	14	5	2	-1	
Apr	90	1	-2	2	-4	6	3	8	0	5	0	6	-2	9	2	1	-5	-1	5	12	2	1	-2	
May	90	1	1	1	-3	7	3	7	2	5	-1	0	8	3	0	-4	2	3	7	4	5	0		
June	90	2	-1	2	-1	5	2	7	3	4	-1		8	1	0	-6	-1	-1	8	-1	0	-2		
July	90	1	1			7			4	3	-2					-1	-4	-2	-1	8	0			
Ten Year Annual Growth Rate, Percent																								
1976-86		3	3	3	3	2	2	2	2	2	2	2	2	4	4	3	3	8	8	7	7	2	2	